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Administration and Management

Key Concepts and Topics

- The public health system focus on organizational capacity and performance
- Organizational planning and development, including strategic planning, program planning, and policies, procedures and protocols
- Human resources management, including laws that impact personnel policies and procedures, licensure and certification of professionals, unions
- Financial management and fiscal accountability
- Risk management
- Open government, public records and privacy protection

Introduction

Administration and management in local health jurisdictions (LHJs) involves a focus on the organizational infrastructure, systems, and resources needed to carry out essential public health services effectively. This section of the Orientation provides a brief overview of some of the functional areas of administration and management, and a brief description of Washington's public health system focus on organizational capacity and performance. It is not intended to be a comprehensive resource. Further, some subjects (governance, performance management, community involvement, communications, fund sources and contracts, and information systems) are covered in other sections of the Orientation, and not repeated in detail this section.

Public Health System Focus on Organizational Capacity and Performance

A drive toward increased accountability and performance improvement in government has led to the development of public health performance measurement tools at the national and state levels. *The Standards for Public Health in Washington State*, developed through the Public Health Improvement Partnership (PHIP), provide an overarching performance measurement framework for state and local governmental public health agencies. The Standards incorporate eight key management practices that are integrated within the various performance measures for the Standards. The key management practices are:

- Public information
- Community and stakeholder involvement
- Governance
- Policies, procedures and protocols
- Plans, goals, objectives and evaluation
- Key indicators to measure and track
- Workforce development
- Quality development

The PHIP Standards Committee is also guiding an effort to address and define the administrative infrastructure needed for public health agencies to carry out their mission. A set of standards, or administrative capacities is being developed that addresses

- Fiscal Capacities
- Leadership and Governance

- Human Resources
- Information systems

These will serve as a guide for state and local agencies working to develop and improve their administrative capacity and level of performance.

- ✓ More information about the Public Health Improvement Partnership is available online at <http://www.doh.wa.gov/PHIP/default.htm>
- ✓ More information about the PHIP Standards Committee is available online at <http://www.doh.wa.gov/PHIP/Standards/default.htm>
- ✓ *The Standards for Public Health in Washington State* can be accessed online at <http://www.doh.wa.gov/standards/default.htm>.
- ✓ For more information about the Administrative Capacities (under development), contact Rita Schmidt at (360) 236-3714.

Organizational Planning, Capacity and Accountability

As part of the orientation process, new local public health officials should become familiar with the organizational structure of the agency, reporting relationships and lines of communication, the governing board, what programs and services are currently provided by the agency, the organizational capacity to provide them (staffing, human resource, accounting, financial planning, and data systems) and other factors that affect agency operations. Other parts of this informal organizational review may include:

- Assessment activities and results: Previous assessment efforts, priority issues identified, important stakeholders, and externally imposed mandates;
- Mission and strategic planning efforts;
- Program evaluation activities and results;
- Performance according to the assessments of *the Standards for Public Health in Washington State*;
- Financial assessment—examination of expenditures and revenues and financial systems; and
- Community participation and involvement/

Key documents and other resources that will help in this assessment of the local public health official's agency are suggested in the Learning Resource Toolkit.

Planning

Simply put, planning is selecting priorities and results (goals and objectives) and determining how those results will be achieved. Planning typically includes identifying goals, objectives, methods, resources needed to carry out the methods, responsibilities and also dates for completion of tasks. There are multiple types of planning, and multiple models for each type. Examples of planning include strategic planning, business planning, project planning, program planning, staffing planning, etc. (Carter McNamara, Free Management Library located at <http://www.mapnp.org/library>)

Strategic Planning

Strategic planning is “about groups of people deciding together what they want to accomplish, and how they are going to get there.” (*Community Toolbox, University of Kansas*). Taken further, it will also help define how an agency will know if it got there or not. Strategic planning is a key management task in organizational development. It is a locally generated long range plan that sets the agency's directions and identifies strategies for putting the agency's mission and values into tangible action.

Strategic plans usually include: 1) mission and goals; 2) division and program plans; 3) key activities and initiatives; and 4) community involvement.

- ✓ The Washington State Department of Health (DOH) Strategic Plan provides an example of a strategic plan. It is available to download at http://www.doh.wa.gov/strategic/StratPlan03_o5_ed1.pdf.

Program Planning and Evaluation

Agency programs should be aligned with the strategic plan. Program planning usually occurs at different levels within LHJs, however, there should be an overall agency policy that assures community involvement, stakeholder input and Board approval, and sets criteria for program development (e.g. evidence-based interventions, indicators for performance measurement are built in up-front, intra-agency coordination with fiscal, data, administrative support sections, etc.). The Learning Resource Toolkit includes resources and tools for program planning and evaluation.

Performance Management

Performance management is multi-faceted and should be incorporated into all aspects of the organization for continuous learning and improvement:

- Programs (intended outcomes are met, cost-benefit)
- Projects (automating the billing process, moving to a new building)
- Processes (billing, budgeting, permitting, clinic processes)
- Products or services to internal or external customers
- Teams or groups
- Customer satisfaction (with services, hours of operation, access, etc)

Performance management is addressed in more detail in the Quality Improvement section of the Orientation.

Policies, Procedures and Protocols

Local agencies should have written policies, procedures, and protocols covering most aspects of organizational functions, including personnel, programs, clinical services, finances, communications, data, information and records. In addition to being a primary risk management strategy, written policies and procedures can set clear expectations for staff. As part of the orientation process, new local public health officials should identify the policies, procedures, and protocols for the agency (or as appropriate for individual roles) and develop a plan to review and discuss in greater detail with other managers and/or staff.

Human Resources Management

The Human Resources (HR) function covers a wide range of issues and activities, including personnel policies, job descriptions and salary schedules, recruitment, hiring and retention, employee performance evaluation, labor relations, employee training and education, etc. How these functions and activities are carried out varies from county to county and agency to agency. Some counties and health districts have designated HR managers. In some agencies, the HR function is assigned to a specific individual (who may have other duties), and in others it may be a shared responsibility among managers.

Below are some highlights of some important aspects of human resources management. More information is available through the resources in the Learning Resource Toolkit

Personnel policies

New local public health officials should review the agency personnel policies and procedures early in their tenure, and meet with the HR manager or contact.

Generally, personnel policies and procedures should address issues such as:

- Recruitment, hiring, termination and standard work rules (work schedule, holidays, leave, etc. for all staff and
- Compliance with government regulations including Fair Labor Standards Act, Equal Employment Opportunity Act, Americans with Disabilities Act, Occupational Health and Safety Act, Family Leave Act, Affirmative Action Plan (if required), etc.
- New employee orientation
- The compensation plan, including salary ranges, salary increases, overtime, etc.
- Benefits
- Payroll and timekeeping procedures
- Performance management, including performance appraisal procedure and cycle, dealing with performance issues and documentation
- Data Practices (security of records, confidentiality, use of data, etc)

Legislation

Federal and state laws govern the rights of employees. Several of the most important federal laws are described below, and in greater detail in the Learning Resource Toolkit.

- **Americans with Disabilities Act (ADA):** <http://www.usdoj.gov/crt/ada/adahom1.htm>
Signed into law on July 26 1990, the Americans with Disabilities Act is a wide-ranging legislation intended to make American society more accessible to people with disabilities. This statute is of relevance in both the hiring of disabled persons and the provision of public services.
- **Fair Labor Standards Act (FLSA):** <http://www.opm.gov/flsa/index.htm>
A federal law initially passed in 1938 that sets minimum wage, overtime pay, equal pay, record keeping and child labor standards for employers who are covered by the Act.
- **Family and Medical Leave Act (FMLA):** <http://www.opm.gov/oca/fmla/>
Signed into law in 1993, the Family and Medical Leave Act entitles eligible employees to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons. The law contains provisions on employer coverage, employee eligibility for benefits, entitlement to leave, and maintenance of health benefits during a leave, and job restoration after a leave.

Licensure and Certification of Professionals Working in Public Health

Agencies should assure that licensed professional staff are current and in good standing with the applicable licensing body. Some positions in LHJs require licensed professionals. For example, Health Officers are required by state statute to be licensed physicians. The DOH Health Professions Quality Assurance Division (HPQA) oversees the credentialing of many of the health professionals working in LHJs. HPQA sets minimum standards for obtaining a credential; establishes educational requirements; reviews applicants' qualifications and background, and issues credentials to qualified applicants.

Types of credentials

There are three types of credentials issued by HPQA, licenses, certification, and registration.

- **License:** The state grants permission to persons who meet predetermined qualifications to practice a specific health care provider profession. The qualifications for licensure are set by law and without a license, the practice of the specific health profession would be unlawful. The license protects the scope of practice and the health care provider's title.
- **Certification:** The state grants recognition to an individual who has met certain qualifications. The qualifications are set in law. A non-certified person may perform the same tasks, but may not use *certified* in their title.

- **Registration:** The state maintains an official roster of names and addresses of the practitioners in a given profession and, if required, the location, nature and operation of the health care activity practiced.

Information about the credentialing requirements of professionals who frequently work in LHJs is available in a publication, "Health Care Professional Credentialing Requirements", which is online at www.doh.wa.gov/hsqu/mccqi/2003_credentiaing_booklet.pdf. This publication includes requirements for:

- Dental Hygienists
- Dieticians and Nutritionists
- Licensed Practical Nurses
- Physicians
- Registered Nurses
- Social Workers

Other Professionals (not credentialed by HPQA):

- **Health Educators**
A license is not required to be a health educator. A certified Health Educator Specialist (CHES) is someone who has met the standards of competence established by the National Commission for Health Education Credentialing and has passed the CHES examination. A health educator with this certification may use the initials CHES after his/her name. More information is available at www.nhec.org

- **Epidemiologist**
There is no licensing requirement for epidemiologists.

- **Environmental Health Specialists**
A license is required for staff working in the on-site wastewater program under Chapter 18.210 RCW. Information on this license can be found at:
<http://www.dol.wa.gov/engineers/onsitefront.htm>

No other license is required to be an environmental health specialist. However, credentialing is available nationally and in Washington State for Registered Environmental Health Specialists/Registered Sanitarians. Additional information is available through:

- The National Environmental Health Association
<http://www.neha.org/credential/index.shtml>
- the Washington State Board of Registered Sanitarians
<http://www.wsbrs.org/>

Labor Unions

In LHJs where employees are organized under unions, local public health officials usually deal with assigned union employees, or "field staff" that are responsible for day-to-day contract negotiation and administration, grievance processing through arbitration and hearing representation. In addition, there are usually agency employees who are representatives or "shop stewards" for the union. New local public health officials should become familiar with the terms of the union contract, if any, and work to develop a constructive relationship with the union representatives.

Some of the unions with contracts covering LHJ employees include:

- Local 1557 of the Washington State Council of County and City Employers and the American Federation of State, County, and Municipal Employees (AFL-CIO). This union contract covers all of the Wahkiakum County employees, for example, including nurses and mental health therapists.
- Local 17 of The International Federation of Professional and Technical Engineers (IFPTE) is an international union. Local 17 covers much of Washington State. Employees of the union

(field staff) are assigned to the LHJs involved with this union based upon geographic region (Eastern or Western Washington).

- Washington State Nurses Association (WSNA) is an affiliate of the American Nurses Association. WSNA functions as a union and has a current labor relations agreement that covers nursing staff in several LHJs.

Financial Management

Regardless of agency size or individual role, public health officials should make it a priority to develop a basic understanding of financial management. While the level of responsibility for specific aspects of financial management varies by role and agency, most local public health officials have some level of responsibility for assuring the effective use of public funds, and all local public health officials should be able to clearly communicate how public resources are allocated within the agency. Some basic aspects of financial management are covered in the paragraphs below. . In addition, the Administrative Capacity Standards provide a guide for assessing the fiscal capacities of the agency.

Public Health Pooling Fund

Any county, combined city-county health department, or health district is authorized and empowered to create a "public health pooling fund" for the efficient management and control of all moneys coming to such county, combined department, or district for public health purposes (RCW 70.12.030). This fund can be used for revenues from grants, city or county current expense funds appropriated for the health department; all moneys received from any local, state, or federal governmental agency which may contribute to the local health department, and any contributions from any charitable or voluntary agency or contributions from any individual or estate.

County Auditor

The county auditor has a broad range of duties and responsibilities involving specific statutory functions and county financial administration. The auditor examines and audits county financial records and may prepare the preliminary county budget for the board of county commissioners. The auditor also has functions relating to special districts. The functions and duties of the county auditor vary among counties, and the auditor's role in county financial administration is often revised in charter counties. Many of the auditors' statutory duties are not associated with county finance (Municipal Resources and Services Center). Local public health officials should become familiar with the County Auditor's role related to the financial administration of the LHJ.

Accounting Systems

Unlike accounting in private, for-profit organizations where the corporate organization itself is a single, accountable entity, governmental accounting involves the use of multiple funds, reflecting the existence of multiple accounting entities. "Fund accounting" has evolved in the public sector to keep track of revenue from many different sources and designated for a variety of specific purposes and activities.

The Budgeting Accounting and Reporting System (BARS)

All LHJs are required to use The Budgeting Accounting and Reporting System (BARS), a uniform system of accounting and reporting prescribed by the State Auditor's Office for all local governments. The BARS Supplemental Handbook for Public Health is a detailed chart of accounts and procedures for public health-related programs intended to provide guidelines to ensure uniform reporting on revenues according to sources and expenditures by type of broad service categories for public health activities. The financial chart of accounts must be set up in accordance with BARS requirements, and accounting spreadsheets and reports should identify expenditures and revenues using BARS codes.

- The BARS Supplemental Handbook is available through the DOH publications page at <http://www.doh.wa.gov/Publicat/publications.htm> (scroll down to “B”, then find the most recent version of the *BARS Supplemental Handbook for Health*)

Accounting Reports

The accounting system should provide useful and timely financial information. Reports on expenditures and revenues should be made monthly in a format that is easy to read and understand. These reports should provide information on “budget vs. actual” basis to help managers better understand the finances of the agency. These reports should be used by management for monitoring the budget and identifying adjustments needed. Other types of financial reports can be prepared for different purposes, such as trend data and analysis, cash flow projections, etc.

Financial Policies and Procedures

Financial policies are the rules that govern financial decisions. Governmental entities adopt these policies and follow them when making financial decisions and follow the procedures in day-to-day financial operations. The Learning Resource Toolkit includes several resources for learning more about financial policies and procedures

Agency Budget

The agency’s operating budget may be one of the most important documents that it will produce. Ideally, it is aligned with the agency strategic plan and reflects agency-wide goals. In other words, resources are allocated according to community and agency priorities.

Budget development and adoption

The budget development process varies from agency to agency, but there are some common features:

- The fiscal year for most LHJs is January 1 through December 31. An annual operating budget is prepared for each fiscal year.
- Budget preparation may begin four to six months before the beginning of the fiscal year.
- Management prepares a preliminary budget that includes expected expenditures for all programs and functions (in accordance with BARS) and all anticipated sources of revenue. (In some cases, the Board of Health provides guidance and/or parameters prior to the development of the preliminary budget). This preliminary budget is presented to the Board for discussion. Adjustments to the preliminary budget may be made based on these discussions. After these discussions (which may occur over several meetings), a proposed budget is prepared according to Board direction.
- There must be public notification that the proposed budget is available for public review and a public hearing must be advertised and held prior to adoption of the budget. The budget is adopted by the Board by resolution at a properly advertised public meeting. The budget must be adopted prior to the beginning of the new fiscal year.
- The Board must adopt a balanced budget.

Budget amendment

Once the Board adopts the budget, it establishes spending limits that LHJ normally cannot exceed unless the Board members change the budget by voting to amend it.

Fiscal Accountability

Audits

An “audit” can be defined as the systematic review of the assertions or actions of a third party to evaluate conformance to some norm or benchmark. Audits have several objectives, including:

- Providing reasonable assurance that the financial statements prepared by the entity are a fair representation of fact;
- Determining that internal controls are established over financial transactions; and
- Reviewing management practices and financial compliance with certain provisions of laws, regulations, contracts and grants.

Types of Audits

Several different types of audits are commonly encountered in the public sector:

- Financial statement audits
- Yellow Book audits
- Single audits
- Compliance audits

Each of these types of audits is explained on the Washington State Auditor's Office website at <http://www.sao.wa.gov/About/TypesOfAudits/index.htm>

Preparing for Audits

Information about how to prepare for an audit conducted by the State Auditor's Office is available online at <http://www.sao.wa.gov/About/TypesOfAudits/PrepareForAudit.htm>

Responding to Audits

Financial audit recommendations and findings should be addressed promptly and documented.

Risk Management

Risk management is attempting to identify and then manage threats that could negatively impact the organization. Risk management may be as uncomplicated as asking and answering three basic questions:

1. What can go wrong? (risk assessment)
2. What will we do (both to prevent the harm from occurring and in the aftermath of an "incident")?
3. If something happens, how will we pay for it?

With increases in rules and regulations, employee-related and other lawsuits, the importance of addressing risk as a management practice is increasing. There is no absolute protection against liability, but there are things that reduce risk, including:

- Up to date personnel policies
- Well-designed insurance coverage
- Written policies and procedures
- Written protocols for clinical services
- Current physician's orders, where needed
- Records security and signed confidentiality statements for all staff
- Policies and procedures to assure computer system security
- Routine maintenance and inspection of physical facilities and equipment
- Ongoing professional development and training of staff to assure they maintain needed skills and competency

Large organizations may have a separate department responsible for risk management. In others, the risk management function may be assigned to an individual, or shared across a team or management staff. However, a successful program requires integration of risk management within all levels of the organization and includes the legal counsel for the agency.

Insurance and Risk Management

For most LHJs, insurance is a valuable risk-financing tool. Areas to consider:

- Public officials' errors and omissions liability
- General liability
- Automobile liability
- Contractual liability
- Professional malpractice liability

The Washington Counties Risk Pool - is a public agency created by interlocal agreement in 1988, to provide coverage for liability exposures of counties. Since its inception, the Pool has expanded its coverage to include property and public official surety bonds; member services also include various insurance services, training and loss control. The Pool consists of 28 member counties (of Washington's 39 counties). More information about the Risk Pool is available online at <http://d30060429.purehost.com/wcrp/index.htm>

Open Government, Public Records, and Privacy Protection

Open Public Meetings Act

The Open Public Meetings Act (RCW 42.30) was passed by the legislature in 1971 as a part of a nationwide effort to make government affairs more accessible and, in theory, more responsive.

According to MRSC a meeting generally includes any situation in which a majority of the governing body (including certain kinds of committees) meets and discusses the business of that body. In order to be valid, ordinances, resolutions, rules, regulations, orders, and directives must be adopted at public meetings. The Act contains specific provisions regarding: regular and special meetings, executive sessions, types of notice which must be given, where meetings may be held, conduct of meetings, minutes, and penalties and remedies for violation of the statutes. Local health jurisdictions and their governing bodies (local boards of health) are subject to the requirements contained in this act.

More information about the Open Public Meetings Act is available through the State Attorney General's Office (<http://www.atg.wa.gov/records/chapter1.shtml#1.2a>) and MRSC (<http://www.mrsc.org/Subjects/Legal/opma/pg1pkj.aspx>). Local public health officials should address specific questions to their agency's legal counsel.

Public Records Disclosure

In 1972 the voters in Washington adopted Initiative 276, which requires that most records maintained by state, county and city governments be made available to members of the public for inspection and copying. The public disclosure laws have been frequently revised over the past 25 years. Primarily located in Chapter 42.17 of the Revised Code of Washington (RCW), the statutes are sometime collectively referred to as the *public disclosure act* or the *state freedom of information act*.

The definition of a public record is quite broad. Papers, photos, maps, videos, and electronic records are all covered by the public records disclosure act. According to the State Attorney General's office "A public record is any state or local record relating to the conduct of government or the performance of a governmental function, and which is prepared or retained by any state or local agency. The record may be in a variety of forms such as writing, a recording, a picture, an electronic disk, a magnetic tape, etc. A local agency can include a city, county, district, or similar governmental subdivision. More information about public records disclosure is available on the State Attorney General's website at <http://www.atg.wa.gov/consumer/public.shtml>.

Additional information is available online at The Municipal Research and Services Center (MRSC) website. (<http://www.mrsc.org/Subjects/Legal/prd/prd.aspx>)

Records Management

The Division of Archives and Records Management in the Office of the Secretary of State helps government offices create and implement schedules for records retention. The Division has produced several publications to assist local government agencies, including LHJs, manage their records. Some of these are described below, and are available online at (<http://www.secstate.wa.gov/archives/gs.aspx>).

- **Records Management Guidelines For All Local Government Agencies** - This publication contains the basics of program planning and laws and regulations relating to local government records. Washington State Law provides that all local governments promote and support the orderly and efficient management of their records. This publication provides advice and guidance on how and why local governments should use the records retention and disposition schedules developed by the State Archives and Records Management Division. It helps local governments develop records management programs that can meet present-day needs and respond to future changes and demands.
- **Health Districts And Departments General Records Retention Schedule** – This publication includes minimum retention requirements for records related to a comprehensive list of Health District/Department activities, such as accounting, administrative records, Advisory Councils, client care, electronic information, environmental health services, facilities management, the Governing Board, insurance, laboratory, legal counsel, risk management and safety, legal counsel, vehicle and equipment maintenance, purchasing and procurement and vital statistics
- **Guidelines For Developing Policy & Establishing Procedures For E-Mail** – This publication was written for state agencies, but the guidelines are also useful for local agencies. It includes information about e-mail messages as public records, appropriate use of e-mail, privacy protection, retention and scheduling requirements, a guide to e-mail etiquette, and sample policies and procedures.